# Modelling the value of the Citizens Advice service in 2014/15

Technical Annex: *The value of the Citizens Advice service: our impact in 2014/15*

citizens advice

# Contents


## Modelling our value 2

## Our fiscal benefit and public value 5

Working with the New Economy tool 5

Modelling the value of our advice provision 7

Modelling the value of working with volunteers 21

## Our benefits to individuals 28

Value of benefits advice to individuals 30

Value of debt advice to individuals 31

Value of consumer advice to individuals 33

## Our value is likely to be greater 34

## Acknowledgements 37

# Modelling our value

**How do you measure the impact and value of Citizens Advice?**

A service that directly helps millions of people a year, each with their different and unique backgrounds, problems and needs. We aren't driven by a one size fits all approach. We meet people in the midst of their problems and tailor our advice to help each person find a way forward.

It's not uncommon to hear our clients refer to the help they received as priceless, life changing or invaluable. Alongside debts managed, jobs kept and rights established, we are aware of lives not only changed but also lives saved through suicide prevented, families kept together, worries, stress and depression overcome and a new sense of confidence and purpose ahead. We also hear how those who volunteer with us have gained confidence, self-esteem, new paid employment and reduced depression. How do you value all of that?

While we can't speak to all our clients, last year we surveyed a large, robust representative sample to ask people about the outcomes we helped to achieve and the impact that had on their life. The results of our *National outcomes and impact research* are used extensively in our impact report and modelling, and we thank the 2,700 participants who gave us their time and responded. We also surveyed nearly 1,500 volunteers to ask about their experiences, again we thank them all.

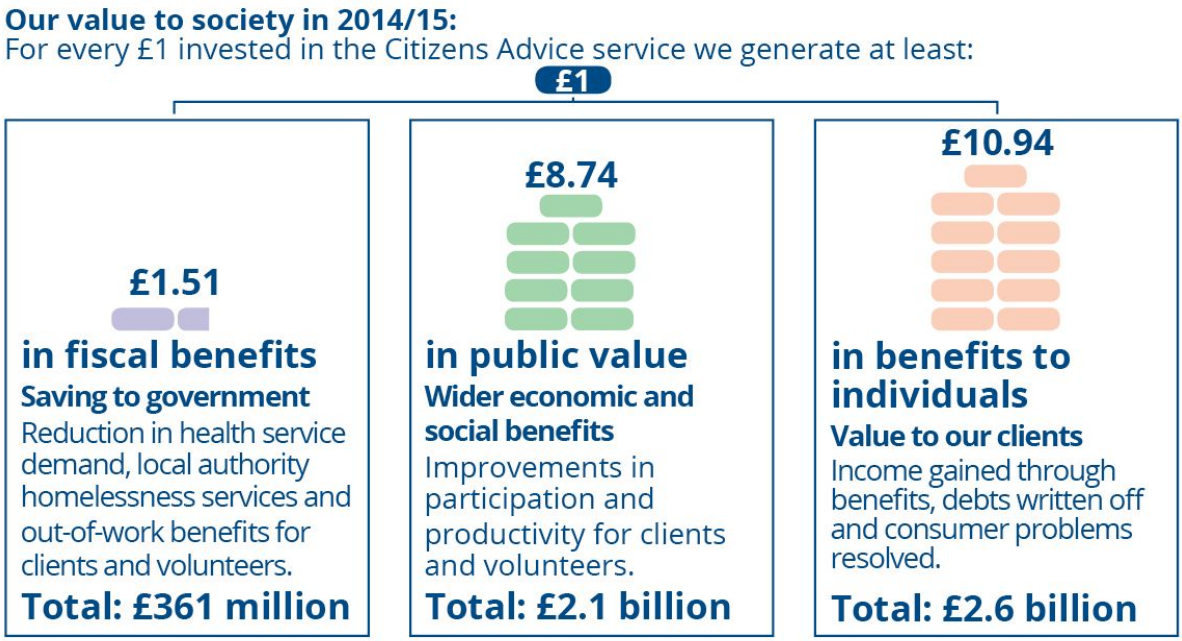
Outcomes and impact is one thing – value is another. Last year we published *Making the case*, which focused mainly on the value of advice to the individual. This year, armed with new compelling impact evidence and with the help of New Economy's cost benefit model and guidance from their economics team, we go further. The model we use has been adapted and approved by HM Treasury, using robust methodology and takes account of the latest evidence and data. It enables us to show our value both to the Government in terms of exchequer benefits and more widely benefits to society.

We have now strengthened our evidence about the outcomes we achieve, including those that are financial, the impacts that has on people's lives and the health benefits that accrue from advice. Within our impact report and these technical workings, we have still taken a conservative approach, sticking to what we know and using caution when making assumptions. We don't yet put an overall value on our education or research and campaigns work we know would boost our value further still.

So against the backdrop of 2.5 million individuals with different needs and the transformative effect that advice can have, we still acknowledge that the findings here are simplified and likely to underplay our true value. But the message is clear. Life is complicated, we're here to help. Free, impartial advice is crucial and highly valuable to individuals, government and society as a whole.

**What is our financial value to society?**

All of our activities and the way we work come together to benefit individuals, government and society. Our value stems from the way we help with problems that can affect individuals, and the detrimental impact they can have on their lives. This includes working with those most in need. Advice and education, research and advocacy can mitigate this detriment – through resolving problems now and preventing them in the future.


Our value to society in 2014/15:
For every £1 invested in the Citizens Advice service we generate at least:
£1
£1.51
in fiscal benefits
Saving to government
Reduction in health service demand, local authority homelessness services and out-of-work benefits for clients and volunteers.
Total: £361 million
£8.74
in public value
Wider economic and social benefits
Improvements in participation and productivity for clients and volunteers.
Total: £2.1 billion
£10.94
in benefits to individuals
Value to our clients
Income gained through benefits, debts written off and consumer problems resolved.
Total: £2.6 billion

This saves money for the government, significantly for local authorities through helping to prevent evictions and homelessness, the Department for Work and Pensions through helping to maintain people in work rather than on benefits, and the NHS through improving people's health and well-being. It also benefits society through healthier, happier people moving forward with their lives with new confidence, participating in their community and working more productively – this is our value to society.

**Our modelling also allows us to show how fiscal savings are attributed to specific government departments, for example:**

| Department for Work and Pensions | Local authorities | Department of Health |
|---|---|---|
| through reduced out-of-work benefits | through reducing cases of homelessness | by reducing the use of health services |
| **£163 million** | **£57 million** | **£47 million** |

In 2014/15, the Citizens Advice service received £239 million in funding.[1] This is a provisional figure covering all that we do, running and staffing local advice centres, telephone call centres, developing our website, and our corporate roles including research and campaigns. Funding comes from central government, the Welsh Assembly, the Money Advice Service, local authorities and a range of other funders.

When we put a conservative financial estimate on our value, it exceeds our funding considerably.

### What is the aim of this technical annex?

The purpose of this document is to explain how we've done this - to sit alongside the main report, *The value of the Citizens Advice service: our impact in 2014/15*[2], that speaks about our value. We want to be transparent with our evidence and where we've made assumptions so that people can hold us to account. It is the responsible thing to do.

We've split this document out into three main sections:

- **Our fiscal benefits and public value:** This shows how we've used the New Economy model to demonstrate the value associated with some of our key arguments for advice provision and working with volunteers.
- **Our benefits to individuals:** Some of the value of advice provision accrues directly to our clients, and we've produced estimates of this from our management information and impact research.
- **Our value is likely to be greater:** We haven't put a financial figure on everything we do and this final section explains where else we may be creating value to society as well as future impact research plans.

[1] Annual reports and accounts from Citizens Advice and each local Citizens Advice detail the funding bodies and amounts.
[2] Available at: citizensadvice.org.uk/impact-of-citizens-advice-service

# Our fiscal benefits and public value

## Working with the New Economy tool

Central to how we conceive our value is a simple premise: we create value through the positive impact we have on individuals' lives, which in turn benefits local communities and society. These individuals might be our clients, or members of the public who benefit via our research and campaigns work, or our volunteers.

We have looked at where we can put a financial value on our work with these individuals, using a cost benefit tool created by New Economy.[3]

This has been developed with and approved by HM Treasury economists to ensure that the methodology is robust and it takes account of the most up to date research and data. The model considers the following types of benefit:

- Fiscal benefit: financial savings to local and national government.
- Public value: economic and social benefits.

It is impossible to put a value on everything that we do and every way we help our clients. Therefore we have identified some of the main areas where we can show we have a positive impact and where there is evidence appropriate to the New Economy model, namely around the benefits of advice and of working with volunteers.

We've used the tool in consultation with accompanying guide, that has been produced in accordance with the HM Treasury Green Book and designed with central government department analysts[4].

The table below describes key aspects of how the model works, the evidence needed to populate different fields, as well as broad details of how we've interpreted and applied the model to reflect the impact we achieve through our work with our clients and volunteers.

[3] Available at: neweconomymanchester.com
[4] New Economy. (2014) *Supporting public service transformation: cost benefit analysis guidance for local partnerships*

| Model aspect | Description | Citizens Advice application |
|---|---|---|
| **Affected population** | Number of individuals at risk of the associated problem. | Figures are taken from our management information, in conjunction with impact research, on the number of individuals affected. |
| **Level of engagement with the affected population (%)** | Percentage of individuals who have engaged with the service. | We have assumed 100%, as our client figures are taken from our management information which is based on individuals that have engaged with the service and that have received a service. |
| **Level of retention (%)** | Percentage of individuals that are retained until the service is complete. | We have assumed 100%, as above. |
| **Impact (%)** | Percentage of individuals that have achieved a relevant outcome. | The scale of our impact has been taken from impact research, primarily our *National outcomes and impact research.* |
| **Deadweight (%)** | Factoring into our assumption of our impact what might have happened if we did not exist, or our service was not used. | For advice, we have evidence that shows that only approximately 20% of our clients would have been able to solve their problems without us[5]. However, we have used 50% throughout to be conservative.<br><br>We have applied the same principle for modelling the value of volunteering. |
| **Optimism bias correction** | Correction (0% to -40%) given in response to a level of uncertainty or over-optimism of the strength of, and confidence in, the data, evidence or assumptions made. | The optimism bias we have used varies according to the arguments and assumptions made. In general, we have taken 15% away when using our *National outcomes and impact research*, but have made other corrections too. |
| **Analysis time frame** | The length of time chosen to assess the benefits of the service. | We use a one year time frame. This is likely a conservative estimate - the value of our work likely last longer, but have completed this based on what we know for sure. |
| **Unit cost estimates** | New Economy have worked with the Cabinet Office to produce a database of mostly national estimates for service costs and savings, related to fiscal benefits and public value. | |

[5] Citizens Advice. (2014), *National outcomes and impact research:* 78% of Citizens Advice clients said they would not have been able to resolve their problem without us.

# The value of our advice provision

**Our estimate of the value of the Citizens Advice service advice provision, in fiscal benefit and public value:**

| Savings to local and national government (fiscal benefits): | Wider economic and social benefits (public value): |
|---|---|
| **£361 million** | **£2 billion** |
| Reduction in health service demand, local authority homelessness and out-of-work benefits | Improvements in health, well-being, participation and productivity |

Our advice and support helps to prevent detriment occurring or escalating further. For example, through giving employment advice we may help the individual to maximise their income. We might prevent the person from falling out of work and onto benefits, thus saving government money. We may help the individual's mental well-being as well, preventing costs to GPs, the health service and boosting productivity in the work place. Ensuring that clients have the income they need to maintain a good standard of living targets the social determinants of health, and reduces the likelihood they will have to turn to high-cost credit to keep up with rent and utilities. This income is also spent locally, benefiting local communities.

The main arguments where we can evidence our financial value concern:

- Keeping people in employment or helping them back to work.
- Preventing housing evictions and statutory homelessness.
- Reducing the demand for mental health and GP services.
- Improved mental well-being.
- Improved family relationships.

Our modelling also allows us to show how fiscal savings are attributed to specific government departments, for example:

- £163 million to Department for Work and Pensions (DWP) through reduced out-of-work benefits.
- £47 million to Department of Health by reducing the use of health services.
- £57 million to local authorities through preventing cases of homelessness. This is only a fraction of our true value to local authorities: there is significant benefit in helping clients negotiate local processes, such as welfare reform changes, and managing debts owed to local government.

## Our advice areas

We give advice on all sorts of different issues and problems that are presented by our clients. However, our main advice areas can be broken down into debt, welfare, housing, employment and consumer issues. It is also common for our clients to have more than one advice need and these can span different areas of advice. For example, someone with a benefit problem may also have a debt problem.

When working with the New Economy cost benefit model, we have taken an approach to consider debt clients separately from other clients. Our management information and our evidence shows that debt advice is often intertwined with other areas. For example, someone with debt problems often needs housing advice (rent arrears) and may be struggling to cope at work.

Throughout our workings we therefore present two figures: one for our debt clients and one that covers all other areas of advice. We then total these where appropriate to give an overall advice figure.

We have also taken steps to deduplicate our figures. We do not want to double count someone with debt problems and housing problems and count them on both sides. So we have started with debt clients and removed any duplicates from other areas of advice.

## Our evidence

Our modelling of the value of advice provision and understanding of our impact is underpinned by evidence from management information and impact research.

**Management information:** Our daily interaction with our clients, and our centralised CRM with standardised methods of recording and processing details of clients problems, gives us an unprecedented understanding of the issues that are affecting our clients. This allows us to spot high-level trends as well as look at problems in granular detail and see how they can interact. It also means we know a lot about the profile of our clients and the nature of their lives, enabling us to understand who it is that is seeking help. We also record the outcomes we achieve for our clients, where these are known.

**National outcomes and impact research:** In 2014, Citizens Advice conducted a large-scale national survey with a representative sample of 2,700 clients. This comprised of a follow-up telephone questionnaire with clients, focusing on the client journey from beginning to end.

Respondents completed the survey three to five months after seeking help. This research sample was representative of the overall population of clients in terms of the type of problems clients had, how they accessed the service and their

demographic profile. A margin of error of +/- 2% is associated with key statistics. These include:

- Nearly 3 in 4 Citizens Advice clients experience negative impacts as a result of their problem, such as an effect on their well-being or financial stability.
- 2 in every 3 clients will have their problem solved: whoever you are, whatever your problem, and however you access our advice, we're just as likely to solve your problem.
- 4 in 5 clients said our help improved their lives in other ways, such as reducing stress, improving finances and stabilising housing or employment circumstance.

**Expertise from advice and policy specialists:** The Citizens Advice service draws on the expertise of advice and policy specialists to deliver its services.

Our Expert Advice team are specialists in specific advice areas, providing consultancy to our local network on client cases, helping to ensure our advice is right, relevant and up-to-date. We also have teams of policy researchers and campaign officers who seek to understand systemic problems, pose policy solutions and campaign for change.

In producing our modelling, we've consulted with colleagues, using their detailed knowledge of the problems experienced by our clients and Citizens Advice policy research to help build our financial arguments.

## Keeping people in employment or helping them back to work

When someone loses their job, it is common for them to claim one of the out-of-work benefits, such as jobseeker's allowance, employment support allowance or universal credit. There may also be additional benefits paid such as housing benefit, council tax benefit and tax credits. There may also be a loss of income tax revenue and national insurance contributions to HM Revenue and Customs (HMRC). Preventing someone from losing their job, or helping someone into work, is of benefit to the exchequer through lower benefit payments and higher tax revenues.

Our advice can help people stay in work. For our debt clients, this is often a secondary outcome. Our evidence shows that 14% of employed debt clients worry about losing their job as a result of their debt problem[6]. Our evidence also shows that after advice, 18% feel more confident with their job security[7].

Our employment advice has much more direct impact in helping people to stay in work. For those with problems at work concerning pay and entitlements, terms and conditions, dispute resolution and wrongful dismissal, advice can solve problems and lead to more secure work outcomes. Of these clients, 34% said their employment issue was causing them to struggle to stay in work[8]. We solve 2 in 3 of these employment problems and 71% of clients said they could not have done this without Citizens Advice.[9]

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 22,500 | 18% | 50% | 15% |
| Total debt clients (401,780) who were employed (40%)[10] who said their debt problem was causing them to struggle to keep their job (14%)[11] | Of these clients, 18% said that their employment situation was now more secure after advice[12] | We assume 50% would have been able to resolve their work situation without help and advice. This is the standard deadweight we use throughout the report | Our evidence is based on a robust national analysis of outcomes, which was carried out in 2014/15 |

[6] *National outcomes and impact research*, 2014
[7] Ibid.
[8] Ibid.
[9] Ibid.
[10] Citizens Advice management information
[11] *National outcomes and impact research*, 2014
[12] Ibid.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 151,260 | 22% | 50% | 15% |
| Total number of clients with an employment problem relating to terms and conditions, pay and entitlements, workers rights, dispute resolution, unfair, wrongful and constructive dismissal | Proportion of these clients who said that their problem was causing them to struggle to keep their job (34%)[13] multiplied by 66%[14] of those we help to solve their employment problem | Standard 50% deadweight | Our evidence is based on a robust national analysis of outcomes which was carried out in 2014/15 |

| | | |
|---|---|---|
| **Fiscal benefit** | £9,800[15]<br>Unit cost applied for reduced benefits payments and health impact | **£167,200,000**<br>**Total value in 2014/15** |
| **Public value** | £14,610[16]<br>As above | **£249,300,000**<br>**Total value in 2014/15** |

In the above workings, the unit cost figures have been derived by New Economy on the basis of DWP analysis given in 2013. The cost benefit tool thus applies a GDP deflator in order to align values to current prices.

This concept is used throughout the New Economy cost benefit model - and therefore our modelling - where unit benefits are derived from evidence, analysis and publications that have been made available prior to 2014. For further details please see the New Economy guidance paper, available through their website.[17]

[13] *National outcomes and impact research*, 2014
[14] Ibid.
[15] New Economy unit-cost database: Department for Work and Pensions response to parliamentary questions, HC Deb 6 February 2013, vol 558, col 352W
[16] Ibid.
[17] New Economy. (2014) *Supporting public service transformation: cost benefit analysis guidance for local partnerships*

## Preventing housing evictions and statutory homelessness

When someone has housing problems, the impact and associated cost can be severe if the situation is not resolved. Housing problems can lead to eviction and homelessness resulting in costs for landlords, the court system and, more significantly, for local authorities who must step in to offer temporary accommodation to those who are made statutory homeless. These problems and costs can be exacerbated in local areas where demand for housing is high, leading to high rental values and lengthy waiting lists for social tenancies.

Much of our housing advice seeks to prevent these costs from occurring, through resolving issues with landlords, challenging eviction notices and agreeing payment plans for rent and mortgage arrears.

Again, we separate debt clients who have housing problems through rent arrears, from clients who approach us directly about housing problems, threatened eviction and homelessness.

Two sets of tables are produced and presented below. The first relates to the prevention of costs associated with legal proceedings in serving eviction notices. The second relates to the costs prevented to local authorities in meeting duties to provide temporary housing to those made statutory homeless.

**Preventing housing evictions**

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 54,200 | 31% | 50% | 15% |
| 27% of total debt clients who were worried about losing their home as a result of their debt problem[18] | 31% said that their housing situation was now more secure after advice[19] | Standard 50% deadweight | Our evidence is based on a robust national analysis of outcomes, which was carried out in 2014/15 |
| 27,600 | 68% | 50% | 15% |
| Number of unique clients with possession orders (deduplicated from debt clients) | Proportion of clients with possession orders who said that their problem was solved after advice[20] | Standard 50% deadweight | Our evidence is based on a robust national analysis of outcomes, which was carried out in 2014/15 |

[18] *National outcomes and impact research*, 2014
[19] Ibid.
[20] Ibid.

| | | |
|---|---|---|
| **Fiscal benefit** | £6,180[21]<br>Unit cost used for reduced costs of legal proceedings and repair of property | **£100,360,000**<br>**Total value in 2014/15** |
| **Public value** | £6,180[22]<br>As above | **£100,360,000**<br>**Total value in 2014/15** |

**Preventing statutory homelessness**

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 54,200 | 31% | 50% | 15% |
| 27% of total debt clients who were worried about losing their home as a result of their debt problem[23] | 31% said that their housing situation was now more secure after advice[24] | Standard 50% deadweight | Our evidence is based on a robust national analysis of outcomes, which was carried out in 2014/15 |
| 22,465 | 68% | 50% | 15% |
| Number of unique clients with threatened homelessness (deduplicated from debt clients) who have dependent children or are disabled | Proportion of clients with threatened homelessness who said that their problem was solved after advice[25] | Standard 50% deadweight | Our evidence is based on a robust national analysis of outcomes, which was carried out in 2014/15 |

[21] New Economy unit-cost database: Shelter. (2012) R*esearch Briefing: Immediate costs to government of loss of home*
[22] Ibid.
[23] *National outcomes and impact research*, 2014
[24] Ibid.
[25] Ibid.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 11,700 | 47% | 50% | 15% |
| Number of unique clients with actual homelessness (deduplicated from debt clients) who have dependent children or are disabled | Proportion of clients with actual homelessness who said that their problem was solved after advice[26] | Standard 50% deadweight | Our evidence is based on a robust national analysis of outcomes, which was carried out in 2014/15 |

| | | |
|---|---|---|
| **Fiscal benefit** | £2,501[27]<br>Unit cost applied for reduced costs of statutory homelessness, such as temporary accommodation (subtracting £500, see below) | **£42,900,000**<br>**Total value in 2014/15** |
| **Public value** | £2,501[28]<br>As above | **£42,900,000**<br>**Total value in 2014/15** |

On the advice of New Economy, we have subtracted £500 from the unit cost for both fiscal and public value. This reflects that £500 in these figures represents some of the costs to local Authorities in terms of possession orders and eviction notices that are covered in the previous table for housing evictions.

[26] *National outcomes and impact research*, 2014
[27] New Economy unit-cost database: Shelter. (2012) *Research Briefing: Immediate costs to government of loss of home*
[28] Ibid.

## Reducing the demand for mental health and GP services

One of the key findings from the *National outcomes and impact research* is that problems often result in mental and physical health problems. Without resolving problems, these issues can get worse and lead to appointments being made with GPs and prescriptions for treatment, including talking therapies. The research also shows the positive impact that advice has on health conditions.

Citizens Advice has also published research showing that 20% of GP consultation time is spent attending to non-medical related issues, such as relationship breakdown, debt problems and issues at work. Moreover, the majority of GPs said that this meant less time to see other patients, increased the stress of their job and led to extra costs for their practice and the NHS[29].

We use our impact research together with evidence from the Civil Society and Justice Survey to show the proportion of people with advice needs who seek help from GPs and talking therapies. For those with mental health problems, 22% sought help from a GP and 8% from talking therapies. For those with physical health problems, 66% sought help from a GP[30].

We present three tables: one for reducing the demand for talking therapies for those with stress and or anxiety related ill health; another on reducing GP consultations for those with mental health problems; and one for reducing GP consultations for those with physical health problems.

**Reducing the demand for mental health services (talking therapies)**

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 293,300 | 8% | 50% | 25% |
| Total number of debt clients who say their issue is causing mental health problems, stress, anxiety or depression (73%)[31] | Figures taken from the CSJS show that for those reporting stress related ill health, 8% received treatment from a counsellor or psychiatric professional[32] | Standard 50% deadweight | Secondary evidence from a similar type of intervention, 4-5 years old |

[29] Citizens Advice. (2015) *A very general practice: how much do GPs spend on issue other than health?*
[30] Figures taken from: Citizens Advice. (2010) - *Towards a business case for legal aid. Paper to the Legal Services Research Centre's eighth international research conference*
[31] *National outcomes and impact research*, 2014
[32] Figures taken from: Citizens Advice. (2010) - *Towards a business case for legal aid.*

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 996,200 | 8% | 50% | 25% |
| Total number of non-debt clients who say their issue is causing mental health problems, stress, anxiety or depression (66%)[33] | Figures taken from the CSJS show that for those reporting stress related ill health, 8% received treatment from a counsellor or psychiatric professional[34] | Standard 50% deadweight | Secondary evidence from a similar type of intervention, 4-5 years old. |

| | | |
|---|---|---|
| **Fiscal benefit** | £830[35]<br>Cost of provision for adults suffering from stress and anxiety | **£37,300,000**<br>**Total value in 2014/15** |
| **Public value** | £4,671<br>As above | **£209,800,000**<br>**Total value in 2014/15** |

**Reducing the demand for GP services (mental health)**

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 293,300 | 22% | 50% | 25% |
| Total number of debt clients who say their issue is causing mental health problems, stress, anxiety or depression (73%)[36] | Figures taken from the CSJS show that for those reporting stress related ill health, 22% received treatment from a GP[37] | Standard 50% deadweight | Secondary evidence from a similar type of intervention, 4-5 years old |

[33] *National outcomes and impact research,* 2014
[34] Figures taken from: Citizens Advice. (2010) - *Towards a business case for legal aid.*
[35] New Economy unit-cost database: Kings Fund. (2008) *Paying the Price - The cost of mental health care in England to 2026*
[36] *National outcomes and impact research,* 2014
[37] Figures taken from: Citizens Advice. (2010) - *Towards a business case for legal aid.*

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 996,200 | 22% | 50% | 25% |
| Total number of non-debt clients who say their issue is causing mental health problems, stress, anxiety or depression (66%) | Figures taken from the CSJS show that for those reporting stress related ill health, 22% received treatment from a GP | Standard 50% deadweight | Secondary evidence from a similar type of intervention, 4-5 years old. |

| | | |
|---|---|---|
| **Fiscal benefit** | £39[38]<br>Cost of GP consultation | **£4,150,000**<br>**Total value in 2014/15** |
| **Public value** | £39<br>As above | **£4,150,000**<br>**Total value in 2014/15** |

**Reducing the demand for GP services (physical health)**

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 168,700 | 66% | 50% | 25% |
| Total number of debt clients who say their issue is causing physical health problems (42%)[39] | Figures taken from the CSJS show that 66% of those with physical health issues received treatment from a GP[40] | Standard 50% deadweight | Secondary evidence from a similar type of intervention, 4-5 years old |

[38] New Economy unit-cost database: GP contact - cost per face-to-face consultation with patients (average 11.7 minutes)
[39] *National outcomes and impact research,* 2014
[40] Figures taken from: Citizens Advice. (2010) - *Towards a business case for legal aid.*

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 467,900 | 66% | 50% | 25% |
| Total number of non-debt clients who say their issue is causing physical health problems (31%)[41] | Figures taken from the CSJS show that 66% of those with physical health issues received treatment from a GP[42] | Standard 50% deadweight | Secondary evidence from a similar type of intervention, 4-5 years old. |

| | | |
|---|---|---|
| **Fiscal benefit** | £39[43]<br>Cost of GP consultation | **£6,145,000**<br>**Total value in 2014/15** |
| **Public value** | £39<br>As above | **£6,145,000**<br>**Total value in 2014/15** |

[41] *National outcomes and impact research,* 2014
[42] Figures taken from: Citizens Advice. (2010) - *Towards a business case for legal aid.*
[43] New Economy unit-cost database: GP contact - cost per face-to-face consultation with patients (average 11.7 minutes)

## Improved mental well-being

There is a benefit to society from having people who have positive mental well-being. This can improve functioning at work and therefore increase productivity, at home and in society. Boosting mental well-being increases confidence, decision making, resilience and social functioning. The evidence used in New Economy's cost benefit model is based on apportioning the willingness to pay value for the Quality Adjusted Life Year (QALY) impact of depression across all the domains of well-being as set out in the National Accounts of Wellbeing. In simple terms, how much people would be willing to pay for an improvement in their depression for one year.

Our research shows that problems can have a profound impact on mental well-being. Both our impact research and separate studies using the Warwick and Edinburgh Mental Well-being Scores (WEM-WBS) show that problems are bad for mental well-being and resolving them has a positive impact.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 293,300 | 89% | 50% | 40% |
| Total number of debt clients who say their issue is causing mental health problems, stress, anxiety or depression (73%)[44] | 89% of debt clients report improvements in their mental health after advice[45] | Standard 50% deadweight | We use a high optimism bias reflecting that while our evidence shows impact on mental health, we do not know the scale of improvement reported |
| 966,000 | 80% | 50% | 40% |
| Total number of non-debt clients who say their issue is causing mental health problems, stress, anxiety or depression (64%)[46] | 80% of non-debt clients report improvements in their mental health after advice[47] | Standard 50% deadweight | We use a high optimism bias reflecting that while our evidence shows impact on mental health, we do not know the scale of improvement reported |

| Public value | £3,500[48] | **£1,191,900,000**<br>**Total value in 2014/15** |
|---|---|---|

[44] *National outcomes and impact research,* 2014
[45] Ibid.
[46] Ibid.
[47] Ibid.
[48] New Economy unit-cost database: willingness to pay value for the Quality Adjusted Life Year (QALY) impact of depression across all the domains of wellbeing as set out in the National Accounts of Wellbeing

## Improved family relationships

Solving problems can have a wider impact on family relationships. In some cases this can can prevent relationships breaking up and all the additional costs that can occur, personally, to society and to the state. Here we use evidence from the impact research to show that receiving advice and solving problems has a benefit to society, together with the Quality Adjusted Life Year (QALY) impact of improved family relationships as set out in the National Accounts of Wellbeing.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 96,400 | 24% | 50% | 40% |
| Total number of debt clients who say their issue is causing family relationship problems (24%)[49] | 24% of debt clients report improvements in family relationships after advice[50] | Standard 50% deadweight | We use a high optimism bias reflecting that while our evidence shows impact on mental health, we do not know the scale of improvement reported |
| 256,600 | 21% | 50% | 40% |
| Total number of non-debt clients who say their issue is causing family relationship problems (17%)[51] | 24% of non-debt clients report improvements in family relationships after advice[52] | Standard 50% deadweight | We use a high optimism bias reflecting that while our evidence shows impact on mental health, we do not know the scale of improvement reported |

| | | |
|---|---|---|
| **Public value** | £8,500[53] | **£202,400,000**<br>**Total value in 2014/15** |

[49] *National outcomes and impact research,* 2014
[50] Ibid.
[51] Ibid.
[52] Ibid.
[53] New Economy unit-cost database: willingness to pay value for the Quality Adjusted Life Year (QALY) impact of depression across all the domains of wellbeing as set out in the National Accounts of Wellbeing

# The value of working with volunteers

**Our estimate of the value of the Citizens Advice service working with volunteers, in fiscal benefits and public value:**

| Savings to local and national government (fiscal benefits): | Wider economic and social benefits (public value): |
|---|---|
| **£271,000** | **£100 million** |
| Reduction in NHS demand and savings to HM Revenue and Customs | Improvements in health, well-being, participation and productivity |

Our continual investment in our volunteers' development ensures our clients receive quality advice and support. It also has tangible benefits for volunteers and society, through happier, healthier and more productive citizens. This is an additional benefit to society, through the way Citizens Advice delivers its service.

The main financial arguments concern our role in enabling volunteers to:

- Move into work through the experience and confidence gained during their time at a local Citizens Advice.
- Develop skills that can lead to better salaries and employment prospects.
- Better manage mental health conditions, such as depression.
- Improve self-esteem, reduce isolation and increased ability to get on.
- Improve community relationships, through increased community trust and sense of belonging by working with local people.

## Our evidence

**Management information:** Citizens Advice collates information about the local network on an annual basis through our Bureau Characteristic Survey. This includes details about volunteer profile and volunteering hours.

**Value of volunteering research:** In 2013, Citizens Advice undertook research with our volunteers to find out about the benefits of volunteering with a local Citizens Advice.[54] Nearly 1,500 volunteers and trustees completed online surveys with structured multiple-choice questions. This self-selecting sample is broadly representative of the demographic makeup of our volunteers, and the number of responses provides a statistically-valid representation of volunteer experience. A margin of error of +/- 3% is associated with key statistics.

[54] Published as: Citizens Advice. (2014) *CAB volunteering: how everyone benefits*

## From volunteering to paid employment

Nearly 1 in 7 of our volunteers are seeking paid employment, and our management information shows that when our volunteers leave us, 31% do so for paid employment.[55] Our impact research evidences that Citizens Advice is a constructive environment that helps volunteers develop themselves and their skills, and that volunteering can play in providing the opportunity to build up the necessary skills, experience and confidence that help people move into work.[56]

Helping people back into work benefits society through reduced out-of-work benefits payments and increased productivity.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 2,720 | 31% | 50% | 25% |
| 15% of volunteers (excluding trustees) are seeking paid employment[57] | 31% of volunteers leave for paid employment[58] | 50% standard deadweight applied | Our impact figures are a statistically valid representation, from a self-selecting sample |

| | | |
|---|---|---|
| **Fiscal benefit** | £9,800[59]<br>Unit cost applied for reduced benefits payments and health impact | As we do not collect details of the out-of-work benefits our volunteers are on, or commitments relating to any payments, we have not included the fiscal benefits of moving volunteers into work within our value estimate |
| **Public value** | £14,610[60]<br>As above | **£4,790,200**<br>**Total value in 2014/15** |

[55] Citizens Advice management information
[56] *Value of volunteering research,* 2013
[57] Bureau Characteristic Survey 2014/15: 14.6% of 18,600 volunteers are seeking paid employment, estimate based on responses from 255 local Citizens Advice, ahead of full results available in August.
[58] Bureau Characteristic Survey 2013/14
[59] New Economy unit-cost database: Department for Work and Pensions response to parliamentary questions, HC Deb 6 February 2013, vol 558, col 352W
[60] Ibid.

## Skill development leading to better salaries and employment prospects

Volunteering can also benefit those already in work, as it provides people the opportunity to try out new skills and broaden their career options, while remaining in employment - a chance they might not otherwise have had. Volunteers benefit from practical skill gain in areas such as IT skills, customer service and team-work, and employers gain from the enhanced skills and experience that their employees gain.

Our volunteers report that their volunteering experience has enabled them to progress in their career as well as increased salaries.[61] There are also benefits to the state, through increased taxation and reduced use of tax credits.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 3,330 | 19% | 50% | 25% |
| 15% of all volunteers (including trustees) are in paid employment[62] | 19% of volunteers report increased salary as a result of volunteering[63] | 50% standard deadweight applied | Our impact figures are a statistically valid representation, from a self-selecting sample |

| | | |
|---|---|---|
| **Fiscal benefit** | £513[64]<br>Increase in earnings (reduced tax credits and increased taxation) | **£127,200**<br>**Total value in 2014/15** |
| **Public value** | £921[65]<br>As above. | **£228,300**<br>**Total value in 2014/15** |

[61] *Value of volunteering research,* 2013
[62] Bureau Characteristic Survey 2014/15: 15.4% of 21,600 volunteers are in paid employment, estimate based on responses from 255 local Citizens Advice, ahead of full results available in August.
[63] *Value of volunteering research,* 2013
[64] Department for Business, Innovation and Skills (2011). *Returns to vocational qualifications. Research Paper 53*; Institute for Employment Research (2008). *Net Benefits of Training Study 2008*: focusing on the associated benefits of an increase in earnings amongst residents achieving Level 3 NVQ progressing from Level 2
[65] Ibid.

## Better manage mental health conditions

At any one year, 1 in 4 people will experience a mental health condition, including anxiety or depression[66]. For those with such mental health conditions, volunteering may provide the opportunity to socially engage with other people, participate in society and be more confident about being in a workplace.

Our evidence suggests that volunteering reduces individuals' stress levels and that those with existing mental health conditions feel better able to manage their condition. This includes feeling able to work more effectively, more productively and with less need for health interventions.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 1,730 | 23% | 50% | 25% |
| 8% of all volunteers identified as having a mental health condition[67] | 23% of volunteers with a mental health condition reported seeing a doctor less[68] | 50% standard deadweight applied | Our impact figures are a statistically valid representation, from a self-selecting sample |

| | | |
|---|---|---|
| **Fiscal benefit** | £830[69]<br>Reduced health cost of interventions | **£143,600**<br>**Total value in 2014/15** |
| **Public value** | £4,671[70]<br>As above. | **£808,200**<br>**Total value in 2014/15** |

[66] Mental Health Foundation, accessed July 2015: www.mentalhealth.org.uk/help-information/mental-health-statistics/
[67] *Value of volunteering research,* 2013
[68] Ibid.
[69] New Economy unit-cost database: Kings Fund. (2008) *Paying the Price - The cost of mental health care in England to 2026*
[70] Ibid.

## Improved well-being of individuals

Volunteering with our service can have a positive impact on how people see themselves, respond to those around them and their capacity to respond to life's challenges. The benefits are hard to pinpoint or articulate, but have a significant value thanks to the impact they have on an individual's quality of life.

### Increased confidence/self-esteem

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 21,600 | 78% | 50% | 40% |
| All volunteers applicable | 78% report increased confidence[71] | 50% standard deadweight applied | We use a high optimism bias reflecting that while our evidence shows impact on mental well-being, we do not know the scale of improvement reported |

| | | |
|---|---|---|
| **Public value** | £3,500[72] | **£19,500,000 Total value in 2014/15** |

### Reduced isolation

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 5,400 | 54% | 50% | 40% |
| 25% of volunteers are over 65[73] | 54% of retired volunteers report feeling less at risk of social isolation[74] | 50% standard deadweight applied | We use a high optimism bias reflecting that while our evidence shows impact on mental well-being, we do not know the scale of improvement reported |

| | | |
|---|---|---|
| **Public value** | £8,500[75] | **£8,270,000 Total value in 2014/15** |

[71] *Value of volunteering research,* 2013
[72] New Economy unit-cost database: Based on apportioning the willingness to pay value for the QALY impact of depression (£35,400 per annum) across all the domains of wellbeing as set out in the National Accounts of Wellbeing.
[73] Bureau characteristic survey, 2013-14
[74] *Value of volunteering research,* 2013
[75] New Economy unit-cost database: Based on apportioning the willingness to pay value for the QALY impact of depression (£35,400 per annum) across all the domains of wellbeing as set out in the National Accounts of Wellbeing

### Positive functioning (autonomy, control, aspirations)

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 21,600 | 87% | 50% | 40% |
| All volunteers applicable | 87% report feeling more empowered and equipped as a result of volunteering[76] | 50% standard deadweight applied | We use a high optimism bias reflecting that while our evidence shows impact on mental well-being, we do not know the scale of improvement reported |

| Public value | £3,500[77] | **£21,730,000 Total value in 2014/15** |
|---|---|---|

### Improved emotional well-being

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 17,060 | 34% | 50% | 40% |
| Before volunteering, 79% of volunteers felt stressed sometimes, fairly often or often [78] | Since volunteering, 34% of volunteers feel less stressed to a moderate or large extent[79] | 50% standard deadweight applied | We use a high optimism bias reflecting that while our evidence shows impact on mental well-being, we do not know the scale of improvement reported |

| Public value | £3,500[80] | **£6,686,000 Total value in 2014/15** |
|---|---|---|

[76] *Value of volunteering research,* 2013
[77] New Economy unit-cost database: Based on apportioning the willingness to pay value for the QALY impact of depression (£35,400 per annum) across all the domains of wellbeing as set out in the National Accounts of Wellbeing
[78] *Value of volunteering research,* 2013
[79] Ibid.
[80] New Economy unit-cost database: Based on apportioning the willingness to pay value for the QALY impact of depression (£35,400 per annum) across all the domains of wellbeing as set out in the National Accounts of Wellbeing

## Improved community well-being

Volunteering with the Citizens Advice can increase knowledge about the issues affecting their local area, as well as the opportunity to interact with a cross-section of the wider community. As a result, volunteers are likely to feel more connected to their community: it can have a positive impact on an individual's sense of belonging, as well as counter the negative effects of feeling isolated. This makes for stronger and more cohesive communities.

| Affected population | Impact (%) | Deadweight (%) | Optimism bias correction |
|---|---|---|---|
| 14,990 | 90% | 50% | -40% |
| 69% of volunteers felt not at all or little engaged with their community before volunteering[81] | 90% feel more part of their community since volunteering[82] | 50% standard deadweight applied | We use a high optimism bias reflecting that while our evidence shows impact on mental well-being, we do not know the scale of improvement reported |

| | | |
|---|---|---|
| **Public value** | £8,500[83] | **£37,980,000**<br>**Total value in 2014/15** |

[81] *Value of volunteering research,* 2013
[82] Ibid.
[83] New Economy unit-cost database: based on apportioning the willingness to pay value for the QALY impact of depression (£35,400 per annum) across all the domains of wellbeing as set out in the National Accounts of Wellbeing

# Our benefits to individuals

**Our estimate of the value of the Citizens Advice service in direct value to clients through advice provision:**

| **Benefits to individuals through advice provision is at least:**<br><br>**£2.6 billion** | | |
|---|---|---|
| **Value to individuals of debt advice:**<br><br>**£577 million**<br><br>Through client debts-written off | **Value to individuals of consumer advice:**<br><br>**£109 million**<br><br>Through benefits to consumers | **Value to individuals of benefits advice:**<br><br>**£1,931 million**<br><br>Through benefit and tax credit gains for clients |

Our financial modelling for these benefits is slightly different, as the New Economy cost benefit tool doesn't provide the ability to evidence the financial benefit to individuals. We know that advice provision can have direct beneficial consequences for individual clients, and this can range consumer detriment reversed through to debts managed through rescheduling or being written-off.

Maximising available income for those facing real difficulties in their lives - limited and unstable income, poor health and changing circumstances - is often part of the way we help clients who come to us about other problems. Take-up of benefits that an individual is entitled to, for example, can help reduce financial difficulty, promote inclusion and benefit the economy.[84] [85]

We have only monetised the financial benefits where we have robust evidence with sufficient scale and average value to have confidence in our estimates. We have also only included figures that have a tangible monetary benefit to individuals.

[84] Eurofound. (2014) *Access to benefits, Unpublished working paper*
[85] New Economics Foundation. (2002) *The Money Trail*. This sets out the local multiplier effect, including the value of income maximisation in local spending through increased benefits take-up.

Therefore, our overall modelling for the benefits to individuals does not include:

- The estimated £464 million of debts we successfully reschedule, whilst this is of benefit to clients, the debt is still owed and therefore we have not included this within our financial model.
- Financial gain for individuals from charitable funds, or where goods and services have been provided in kind.
- Financial outcomes associated with housing, employment, relationships or other problems.

## Our evidence

Our understanding of the value of advice provision that accrues directly to clients is underpinned by evidence from our management information and research.

**Management information:** We have again drawn on the substantial amount of data we hold about our clients and their problems to consider our impact.

**Outcomes recording:** Where a specific client outcome is known to have occurred, local Citizens Advice are encouraged to record it within our CRM, using a set of shared outcome codes that enable us to consistently record across the network. In 2014/15, local Citizens Advice recorded 367,000 outcomes, 215,000 of which were financial outcomes.

**Impact research**: We have drawn on two primary sources of impact research:

- **National outcomes and impact research:** In our follow-up research with our clients, we asked individuals about any specific outcomes that they achieved through our advice, and therefore we have the proportions of how those outcomes are distributed.
- **Consumer helpline satisfaction survey:** We conduct follow-up research every six months with a representative sample of 1,200 clients who use our telephone consumer service. As well as finding out details about whether we solved their problem and their client experience, we also ask consumers to tell us the financial worth of the service to them.

# Value of benefits advice to individuals

**636,000 clients with 1.8 million benefits or tax credit problems in local Citizens Advice in 2014/15 - 2 in every 3 clients, or an estimated 419,000 clients, will have their benefits or tax credit problem solved.**

| 2014/15 | Number of individual clients seen | Number of individual clients whose problem is partly or completely solved[86] |
|---|---|---|
| Local Citizens Advice | 635,512 | 419,438 |

**In 2014/15, we estimate that we helped:**

- **84,000 clients successfully claim one-off awards for back payments, worth a total of £168 million, an average of £2,000 per client.**
- **285,000 clients gain a new award or an increase to their benefit worth a total of £1.7 billion, an average of £6,400 per client (per year)[87].**

| 2014-15 estimates | Proportion of clients (where problem solved) | Total number of clients | Average value per client | Total |
|---|---|---|---|---|
| Clients who had one-off benefit awards | 20% | 83,888[88] | £2,230[89] | **£187,069,312** |
| Clients who had ongoing benefit awards | 65% | 272,635[90] | £6,398[91] | **£1,744,316,478** |
| Clients who had other benefit outcome | 15% | 62,916[92] | | |
| **Total** | | **419,438** | | **£1,931,385,790[93]** |

[86] *National outcomes and impact research:* 66% of clients solve their benefits problem.
[87] The financial value of ongoing benefit payments are annualised and the amount reported is for a single year regardless of benefit type.
[88] One-off benefit awards: 20% of clients with a benefit outcome had a one-off award, such as a back-payment (proportion taken from 82,319 benefit outcomes recorded in 14-15 in CRM (21,850)).
[89] One-off benefit awards: average value of a one-off award per client taken from 20,124 one-off awards outcome records where the financial value was recorded in CRM.
[90] Ongoing benefit awards: 65% of clients with a benefit outcome had an ongoing award (proportion taken from 82,319 benefit outcomes recorded in 2014/15 in CRM (55,829))
[91] Ongoing benefit awards: Average value of ongoing benefit per client taken from 55,900 outcome records (of ongoing awards) where the financial value was recorded in CRM.
[92] Other benefit outcomes: 15% of clients (proportion taken from 82,319 benefit outcomes recorded in 2014/15 in CRM) These include resolving administrative issues, challenging civil penalties or arranging food provision through vouchers.
[93] For context, £1.93 billion is less than 1% of the annual benefit bill of £220 billion, and in 2009/10 an estimated £7.5-12.3 billion was left unclaimed [DWP. (2012) *Income Related Benefits: Estimates of Take-Up in 2009/10*]

# Value of debt advice to individuals

**402,000 clients with 1.6 million debt problems in local Citizens Advice in 2014/15 - 2 in every 3 clients, or an estimated 265,000 clients, will have their debt problem solved.**

| | Number of individual clients seen | Number of individual clients whose problem is partly or completely solved[94] |
|---|---|---|
| Local Citizens Advice in 2014/15 | 401,780 | 265,175 |

**We estimate that we helped:**

- **90,000 clients successfully reschedule debts worth a total of £464 million, an average of £5,000 per client.**
- **29,000 clients write off debts worth a total of £577 million, an average of £19,000 per client.**

This is calculated from the following:

| 2014-15 estimates | Proportion of clients (where problem solved) | Total number of clients | Average value per client | Total |
|---|---|---|---|---|
| Clients who had debt successfully rescheduled | 34% | 90,160[95] | £5,146[96] | **£463,961,592** |
| Clients who had debt written-off | 11% | 29,169[97] | £19,784[98] | **£577,085,443** |
| Clients who had other debt outcomes | 56% | 148,498[99] | | |
| **Total** | | **265,175** | | |

[94] *National outcomes and impact research:* 66% of clients solve their debt problem.
[95] Debts rescheduled: 34% of clients with a debt outcome had debts rescheduled (proportion taken from 98,578 debt outcomes recorded in 14-15 in CRM (33,146)).
[96] Debts rescheduled: Average value of debts rescheduled per client taken from 27,940 outcome records (of debt rescheduled) where a financial value was recorded in CRM.
[97] Debts written-off: 11% of clients with a debt outcome had debts written off (proportion taken from 98,578 debt outcomes recorded in 14-15 in CRM (10,383)).
[98] Debts written-off: Average value of debts written off per client taken from 14,564 outcome records (where debt written off) where a financial value was recorded in CRM
[99] Other debt outcomes: 56% of clients (proportion taken from 98,578 debt outcomes recorded in 201/15 in CRM (55,049)) These include bailiff action stopped or suspended, improved health or capacity to manage, or utilities disconnection prevented.

For reference, we do not report a total figure that combines debt written-off and debts successfully rescheduled as these are different types of financial outcome. Within our impact report and this technical annex, debt written-off is reported as a gain to individual, but debts rescheduled are not.

**On average, clients come to us with £9,500 worth of unmanageable debt. We estimate the total value of our clients' debt in 2014/15 was between £2.7 to £3.8 billion.**

This is calculated from the following, where the minimum figure applies the average debt only to clients who received full advice and the maximum figure applies this to all debt clients seen in 2014/15:

| | Full advice | Full advice and limited advice |
|---|---|---|
| Number of individual clients seen in 2014/15 | 281,250 | 401,780 |
| Average debt per client: £9,753 total debt | **£2,692,374,659** | **£3,846,249,513** |

# Value of consumer advice to individuals

**Our direct services in local Citizens Advice and our consumer service advised 842,500 clients on over 1 million issues in 2014-15[100] - solving 1 in 2 problems**

**We estimate that we helped 454,000 clients successfully resolve their consumer problem, 132,000 had a financial gain worth a total of £109 million, an average of £825 value per client**

This is calculated from the following:

| 2014-15 | Citizens Advice consumer service | Local Citizens Advice | Total |
|---|---|---|---|
| Number of individual clients seen | 600,000 | 242,500 | **842,500** |
| Number of individual clients whose problem improved or resolved[101] | 294,000 | 160,050 | **454,050** |
| Number of individual clients whose problem improved/resolved who reported a financial benefit[102] | 85,260 | 46,415 | **131,675** |
| Average value of gain per client[103] | £825 | £825 | **£825** |
| Total financial benefit to individuals from consumer advice in 2014-15 | £70,340,000 | £38,300,000 | **£109,000,000** |

[100] Our consumer service is a GB wide telephone helpline and email service, figures presented here are England & Wales only.
[101] Consumer helpline satisfaction survey: our Consumer service resolves problems for 49% of clients. *National outcomes and impact research*: local Citizens Advice resolves problems for 66% of clients.
[102] Consumer helpline satisfaction survey: 29% of consumer helpline clients report a financial gain (data from representative sample over 3 years). Data for financial gain reported by clients of local Citizens Advice is not representative so the consumer helpline rate of 29% has been applied.
[103] Consumer helpline satisfaction survey: Average financial gain reported by clients of Consumer service is £825 (data from representative sample n=1,086 clients). Average financial gain reported by clients of local Citizens Advice is £1,115, however this data (n=780) is not representative so the Consumer service average value has been used. If this local financial value was applied to local Citizens Advice clients, the total value to individuals would rise from £38.3 million to £51.7 million, meaning the total financial benefit to individuals from consumer advice would be £133 million.

# Our value is likely to be greater

## What we haven't monetised

In this report, we haven't tried to monetise everything, sticking instead to what we know and can firmly evidence, utilising credible costings and proxies to illustrate our value to society. There are many other outcomes to individuals and society from our work which have value, but these can be hard to put a financial figure on.

Establishing a counterfactual for if the Citizens Advice service wasn't here is difficult because we are so closely associated with how people seek advice and support, and are an embedded part of local communities. We have assumed that half of our impact is deadweight. In other words, in half the cases the situation would have got better, or resolved itself without us. This is a conservative assumption, as our evidence shows that only 20% of clients suggest they would have been able to resolve their issue without our help.

This is also true when considering the social value of how we work:

- We play a vital role in the communities we work in, but what this looks like in practice can alter dependent on local need. This is a real strength of our service, but makes producing an average financial value difficult.
- The way our network works together, and the additional benefits to individuals of getting advice from a local centre with a national infrastructure, is equally difficult to put a value on.

### Advice

We have not included:

- Benefits to local government of helping clients negotiate local processes, such as welfare reform changes, as well as our role in helping local authority rent and council tax arrears to be rescheduled and reducing the associated administrative costs.
- Maximising clients' income, which has further spillover effects including for individuals' families, benefiting health and well-being and contributing to local communities and economies. Averting the detrimental costs associated with the impact on health of unsafe and substandard living conditions.

- The estimated £464 million of debts we successfully reschedule, benefiting those clients and also the creditors of debts being repaid where they might not have been, and averting the cost they would have incurred chasing them.
- Financial gain for individuals from charitable funds, or goods and services in kind, as well as financial outcomes associated with housing, employment, relationships or other problems.
- Keeping families together, preventing suicide and working with victims of domestic violence.
- Providing advice online to 20.7 million visitors.

We've also only monetised our impact for one year, but these kinds of impact have long running positive benefits for the individuals involved and the state.

## Education

We have not included any of the benefit of our education work in our financial estimate. By educating and empowering clients we hope to mitigate some of their financial instabilities, helping the client to make informed decisions about their energy and wider finances, such as:

- Reduced energy bills and avoiding detriment associated with fuel poverty.
- Avoiding the detriment associated with problem debt, through making informed decisions and increasing financial stability for the future.

Evaluations of specific education projects have given us an initial understanding of their impact. We're now developing specific measures to understand in more detail the short and long-term impact of our educational activities.

## Research and campaigns

This report has not included the financial benefits brought about by our extensive research and campaigns work, both locally and nationally. Putting a financial value on this type of work is difficult for many reasons:

- We build a detailed understanding of issues, how they affect lives, and continually engage with policy-makers and regulators, such as our work with Trading Standards. In these cases, there aren't always readily available success measures.
- We play a collaborative role in achieving policy and practice change: providing evidence to policy-makers and working alongside others to campaign for solutions. We therefore can attribute some of the impact to our work, such as the commitment to increase support available for parents with the cost of childcare or our recent work on credit brokers.

- Our previous research and campaigns work still benefits consumers today, such as security of tenancy deposits, the total cost of credit cap on payday loans and compensation and redress of mis-sold PPI.
- Through our campaigns, we give our clients a voice. This includes our recent work ensuring clients were registered to vote in the general election, and our ongoing work on experiences in the labour market. There is simply no measure to illustrate the power of this – it is unique.

For more information on research and campaigns successes and their value, see our full impact report: *The value of the Citizens Advice service: our impact in 2014/15.*

## Future impact research plans

Covering the sheer breadth of the work of the Citizens Advice service is no simple task. Our Impact team will take this work forward over the coming years, exploring how we can measure the impact of our education and campaigns work, and extending our understanding of the impact of advice.

## Report authors

This report has been written by the Impact team at Citizens Advice.

Significant report authors: Hugh Stickland, Tamsin Shuker and Siân Whyte.

The Impact team is responsible for customer insight research, assessing service effectiveness through evaluating what works, and using our evidence and analysis to understand and demonstrate the impact and value of the Citizens Advice service. We work with others in the sector around impact and evaluation, shaping approaches and sharing findings.

## Acknowledgements

Our impact research and financial modelling is the product of many years of work, building up our evidence over time. Many thanks to Peter James for his significant role in developing our impact understanding, including leading the *National outcomes and impact research*, and to our Impact team colleagues Carolyn Budd, Alex Hayes and Satdeep Grewal.

We're grateful to all the Citizens Advice clients who were involved in the research for this report, and also recognise the essential role that staff and volunteers across the Citizens Advice play in diligently recording and processing client data.

Thanks also to Pete Watson and our Management Information colleagues: we would be unable to begin to evidence our impact without the comprehensive data and knowledge from this amazing team.

We appreciate the time and input from our colleagues in the Expert Advice team and policy research teams, who helped us to understand in detail the way that unresolved problems escalate and how interventions work in practice.

Special thanks go to New Economy for the development of the cost-benefit tool we used in our modelling, and to Julian Cox for his insight and guidance.

**Published July 2015**

**citizensadvice.org.uk/impact-of-citizens-advice-service**

---

To find out more about work work contact us:

**impact@citizensadvice.org.uk**

**@CABImpact**